

**TESTIMONY**  
**Connecticut General Assembly**  
**Committee on Veterans' Affairs**  
**By**  
**COMMISSIONER LINDA S. SCHWARTZ, RN. MSN, DRPH, FAAN**  
**Connecticut Department of Veterans' Affairs**  
**March 7, 2013**

Senator Leone, Representative Hennessy, Members and distinguished members of the Committee on Veterans' Affairs, I am pleased to offer testimony on several proposed Bills before the committee today.

**S.B. No. 931 (RAISED) AN ACT CONCERNING VETERAN-OWNED SMALL BUSINESSES. (VA)** The details described in this legislation pose practical problems with regard to available resources and the expertise of the present staff to implement this legislation which directs the Department of Veterans' Affairs to maintain a registry of data pertaining to "small business concerns owned and controlled by veterans and service owned and controlled by veterans that maintain a principal place of business in Connecticut. While we agree with the spirit and intent of this legislation, the task described is not trivial and is labor intensive.

If this measure does go forward, the criteria for verification of a Veteran-owned business and/or service-disabled veteran owned business as set forth by **15 USC 632(q)**, is quite specific. We also see that the situation and verification of these businesses is very fluid and would require steady monitoring. In fact on March 5, 2013, VA sent out an "Advisory" that the process for determining eligibility for veteran and service connected disabled veteran owned businesses, has been cumbersome to the point that additional staff will be required to review and authenticate eligibility. This process was taking over 130 days to complete.

The Federal requirements to qualify as a "Veteran Owned Business" stipulate that the veteran must have served on Active Military Duty and be discharged under conditions other than dishonorable. Additionally, a second requirement is that veterans own at least 51 percent of the business with the management and daily operations of the business being controlled by veterans. Further, in order for the business to qualify for a "Disabled Veteran Owned Business", the veteran's disability must be permanent and severe and connected with their military service with the same levels of interest, control

and operation by the veteran with a caveat that the daily business operations can be conducted by the veteran's spouse or caregiver.

It is important to note that on the Federal level, Veteran Owned Businesses are not part of the US Department of Veteran Affairs but are seen more as commerce, economic development and grants for starting businesses. The responsibilities are housed in the Small Business Administration which also has offices in Connecticut. Basically the expertise and resources are not in Veteran Affairs but shared by other Federal and State agencies. While we cannot shoulder the responsibilities outlined in this proposed legislation, we are mindful of the importance of assisting veteran entrepreneurs.

We have been in discussions with the Department of Administrative Services (DAS) on how best to approach the issues of Veteran and Service Connected Disabled Veteran Owned Businesses with the goal of developing a process for establishing state contracting preferences for these businesses. Thus far we see the present Small Business Enterprise Certification Program (SBE) which is part of the Connecticut Supplier Diversity Program presently offered by DAS as a model to achieve the goals described in this legislation.

The Office of Supplier Diversity was formally known as the "Set Aside Program", with a primary focus on improving economic opportunities for Connecticut's Small and Minority Businesses. Veteran-owned or operated businesses that have a principal place of business in Connecticut and had gross revenues not exceeding \$15 million in its last fiscal year are eligible for certification as a Small Business Enterprise (SBE) which enables companies to participate in contracting opportunities with the state that are only available to SBEs.

The discussions with DAS have been very promising. We ask the Committee to consider that assigning the responsibility for a Registry of Veteran and Disabled Veteran Owned businesses to the Connecticut Department of Veteran Affairs is not within our capabilities at this time. The issue of available resources for this project is also questionable. Should this legislation pass the start up and implementation time for this program would be unreasonable to be effective. I would like to suggest that collaboration with DAS and Veteran Affairs is a pragmatic and viable option for moving the agenda of assisting veterans with small businesses so that they are prepared to successfully vie for state procurement opportunities.

**S.B. No. 933 (RAISED) AN ACT CREATING A STATE COLD WAR CERTIFICATE. (VA)**

The Connecticut Department of Veteran Affairs would like to call attention to actions and stipulations of the proposed legislation. First of all, we wish to point out that the US Department of Veteran Affairs does not issue certificates, awards or medals for military service. If this legislation does pass, I would suggest that the verification, design and presentation of this "Certificate" be the responsibility of the Military Department. Additionally it is important for the Committee to know that there already exists a Federal Cold War Service Certificate from the Federal Government.

*"In accordance with section 1084 of the Fiscal Year 1998 National Defense Authorization Act, the Secretary of Defense approved awarding Cold War Recognition Certificates to all members of the armed forces and qualified federal government civilian personnel who faithfully and honorably served the United States." The United States Army is the executive agency for the Cold War Recognition Program and these Certificates are available to qualified individuals at no cost. Any other site offering these certificates or replicas for sale or purchase are not official sites and are not approved or endorsed by the US Army. Any document which shows that the intended recipient was a U.S. government employee during the Cold War era will be accepted as proof. The document must contain the name of the recipient, the Social Security Number or Military Service Number or Foreign Service Number which was included in the request for the certificate, and a date showing at least one day of service within the range of 2 September 1945 and 26 December 1991. Examples of acceptable documents include a Leave and Earnings statement, DD214 or other Discharge Paper, or SF50 (Civilian Personnel Action Form.)*

It is estimated that over 200,000 Connecticut Veterans would be eligible for the certificate as it is described in this legislation. However the great unknown is the number of individuals covered in the criteria described in the legislation which authorizes any individual who served at least ninety or more "cumulative" days in the armed forces, rather than the consecutive days required by USC Title 38 to qualify for veteran status. Also of concern is the residency requirement which extends to anyone who "is a

resident of the state or was a resident of the state while serving in the armed forces during the Cold War era, and (3) was honorably discharged from, or released under honorable conditions from active service in the armed forces. This means that any Reservist or member of the National Guard that served 90 single days in the period 1945-1991 which includes the Korean and Vietnam Wars will be eligible. The verification of this service will be monumental. Based on our experience with the Connecticut Wartime Service Medal, the basic cost for preparing and sending these certificates would be at least \$10. This does not include the cost of staffing, processing and authenticating eligibility and the cost associated with purchasing computer software to run the program. This would prove to be a very costly program.

**Raised Bill 6561 AN ACT CONCERNING VETERANS.** I would just like to comment on this legislation from the standpoint of what we do at the Department of Veteran Affairs. The proposal for us to do a study to determine what hardships are prevalent among the state's veterans is actually what we do every day. I would respectfully suggest that there is no need for a study which would be costly, probably something we would contract out because we do not have the expertise or the staff to conduct a study. In conjunction with Central Connecticut State University, CTVA has conducted two "Needs Assessments" of veterans discharged from service since 2003. I have copies of these findings for the members of the Committee. I believe it will give you a picture of the issues of concern to recently returned veterans. If the Committee would like a report on what we learn every day from the 4,400 active cases for claims and benefits, the 2,000 people who came to us for help and more than 10,000 calls that came into my office and our 5 District Offices last year, we can tell you what we have learned. We also know from the 3,430 families who came to us for help in ordering headstones and markers for their veteran's final resting place and the 638 veterans we buried in our Cemeteries. I and the staff of the Department of Veteran Affairs stand ready to discuss the concerns of Connecticut Veterans because they are ever changing, usually age related and ever emerging.